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March 2, 2016

VIA ELECTRONIC FILING

Ms. Jocelyn G. Boyd
Chief Clerk and Administrator
The Public Service Commission of South Carolina
101 Executive Center Drive, Suite 100
Columbia, South Carolina 29210

Re: Piedmont Natural Gas Company, Inc.
Docket No. 2016-____-G

Dear Ms. Boyd:

Pursuant to South Carolina Code § 58-5-240 and Commission Rules 103-403 and 103-446, Piedmont hereby respectfully submits for the Commission's consideration proposed modifications to Rate Schedules 206 (Schedule for Limiting and Curtailing Service), 207 (Balancing, Cash-Out and Agency Authorization), and 213 (Large General Transportation Service) to reflect certain administrative adjustments as described herein.

For Rate Schedule 206, Piedmont proposes to update certain pricing terminology since index publishers have renamed various index locations and section headers within their respective publications. The proposed changes also clarify the procedures the Company would follow when an index is not published.

For Rate Schedule 207, Piedmont's proposed changes are intended to align Piedmont's tariff provisions regarding nominations with the changes adopted by the Federal Energy Regulatory Commission ("FERC") in its Order No. 809, whereby the FERC amended its regulations to incorporate by reference the revision in the North American Energy Standards Board's ("NAESB") timely nominations deadline from 11:30 am Central Time (12:30 pm Eastern Time) to 1:00 pm Central Time effective April 1, 2016. Deadlines related to the nominations process as prescribed under Piedmont's current Rate Schedule 207 are aligned to exactly one-hour prior to the current NAESB timely nominations deadline, by specific references to 11:30 am Eastern Time. In order to retain consistency with the NAESB timely nominations cycle starting April 1, 2016, Piedmont proposes to remove the specific "11:30 am Eastern Time" references in Rate Schedule 207 and accordingly replace them with references to "one-hour prior to the NAESB deadline for the timely nomination cycle."

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For Rate Schedule 213, Piedmont proposes to update certain pricing terminology since index publishers have renamed various index locations and section headers within their respective publications. The proposed changes also clarify the procedures the Company would follow when an index is not published.

Clean and red-lined copies of each of the above-referenced rate schedules are attached hereto. Piedmont proposes an effective date for these tariff changes of April 1, 2016.

If you have any questions regarding this matter, you may reach me at the number shown above.

Sincerely,

/s/ Scott M. Tyler

Scott M. Tyler

Enclosures

cc: Office of Regulatory Staff
Pia Powers
Laura Hager

RATE SCHEDULE 206
Schedule for Limiting and Curtailing Service
RED-LINED

RATE SCHEDULE 206
SCHEDULE FOR LIMITING AND CURTAILING SERVICE

Applicability and Character of Service

This Service Schedule defines the types of curtailment that the Company may invoke from time to time due to the occurrence of extreme weather conditions, operating conditions or force majeure events, and describes the process and procedures to be followed in the implementation of gas service restrictions.

Distribution Pressure Curtailments

Due to extreme weather conditions, operating conditions or force majeure events as defined in the Company's Service Regulations, or the demands of the Company's firm Customers as the same may affect the Company's ability to provide interruptible service, the Company may experience localized pressure deficiencies. During such times and within the areas affected, the Company will curtail service to interruptible Customers served under Rate Schedule 204, Rate Schedule 208, or Rate Schedule 214, by priority of their margin contribution to the Company (curtailing Customers with the lowest margin rate first) until the pressure situation can be alleviated. In the unlikely event that further interruption is required, the Company will proceed with curtailment by margin contribution considering end use, impact on the local economy, and the Rules and Regulations of the Public Service Commission of South Carolina.

Supply or Capacity Related Curtailments

In situations when supply and capacity services contracted by the Company are not sufficient to meet the full requirements of Customers desiring sales services from the Company, the Company will first curtail service to interruptible sales Customers receiving service under Rate Schedule 204 or 208 by priority of their margin contribution to the Company. The Company reserves the right at the Company's discretion to purchase quantities being delivered to the Company by Customers under Rate Schedule 214 at market prices in order to serve Customers without operable alternative fuel capability. In the unlikely event that further interruption is required, the Company will proceed with curtailment by margin contribution considering end use, impact on the local economy, and the Rules and Regulations of the Public Service Commission of South Carolina.

Emergency Service

The Company will make every reasonable effort to deliver/redeliver plant protection volumes to industrial and commercial Customers that do not have standby fuel systems sufficient to prevent damage to facilities or danger to personnel, or to Customers that find it impossible to continue operations on the Customer's standby or alternate energy source as a result of a bona fide existing or threatened emergency. This includes the protection of such existing material in process that would otherwise be destroyed, or deliveries required to maintain plant production. All emergency service is interruptible and is of a discretionary nature on the part of the Company and implies no present or future obligation of the Company to any Customer to provide such service on either a temporary or continuing basis. Deliveries/Redeliveries of gas for emergency service hereunder shall be made pursuant only to advance operating arrangements between the Company's authorized personnel and the Customer and shall be subject to curtailment and interruption at any time should the Company deem it necessary.

Issued by Thomas E. Skains, Chairman, President and CEO

Issued: ~~November 10, 2014~~

Docket No. ~~2014-323-G~~

Effective: ~~December 1, 2014~~ April 1, 2016

RATE SCHEDULE 206
SCHEDULE FOR LIMITING AND CURTAILING SERVICE

Rate for Emergency Service

If the Company has authorized the Customer to receive emergency service as provided in the above paragraph, then all gas so consumed by the Customer for emergency service will be at a rate set forth on the Company's "Rates and Charges" tariff sheet, plus the usage rate for Rate Schedule 204 and 214 as applicable, plus the higher of two commodity indices - a "Monthly Contract Price" or a "Daily Price" - for each dekatherm of consumption. "Monthly Contract" shall be defined as the monthly contract index price for the applicable calendar month as first published in Inside F.E.R.C.'s - Gas Market Report in the table titled "Monthly Bidweek Spot Gas Prices~~Prices of Spot Gas Delivered to Pipelines~~" under the heading "Louisiana/Southeast Transcontinental Gas Pipe Line Corp. - Zone 3 (pooling points)" in the column titled "Index", plus Transco's zone 3 to zone 5 IT transportation rate inclusive of all surcharges and fuel. "Daily Price" shall be defined as the daily price for gas defined by Gas Daily as stated in the "Daily Price Survey", "Northeast Citygates", "Transco, Zone 6 (non-N.Y.)", "Midpoint" price. For days of consumption when the "Monthly Contract Price" is not published, the "Monthly Contract Price" shall equal the corresponding "Daily Price" published for the first day of the month of flow. For days of consumption when the "Daily Price" is not published, the "Daily Price" shall equal the average of the corresponding "Daily Price" as published on the nearest preceding and nearest subsequent day.~~days of consumption when the Gas Daily is not published, the Gas Daily price shall equal the price as published on the nearest subsequent day by Gas Daily.~~ Customers who bring into Piedmont's system authorized quantities of gas for emergency service redeliveries shall not be subject to the commodity index billing stated above for such quantities. The Customer's consumption will continue to be billed hereunder until the Company notifies the Customer that either (1) further gas sales may be made under the Customer's regular Rate Schedule or (2) complete curtailment is unavoidable and that further gas sales will be considered unauthorized.

Unauthorized Over Run Penalty

If at any time a Customer fails to discontinue the consumption of gas after being directed to do so by the Company or takes gas at levels in excess of the quantities specified by the Company, such quantities shall constitute an unauthorized over run volume. For each dekatherm of such unauthorized over run volume taken by such Customer, such Customer shall pay to the Company a rate set forth on the Company's "Rates and Charges" tariff sheet, plus the usage rate for Rate Schedule 204 and 214 as applicable, plus the higher of two gas commodity indices - a "Monthly Contract Price" or a "Daily Price" as both are defined above.

The Customer's consumption will continue to be unauthorized until the Company notifies the Customer that either (1) further gas sales may be made under the Customer's regular rate schedule or (2) the Company agrees to provide Emergency Service under this Rate Schedule, or (3) the Company terminates flow at the valve.

The Customer shall be liable for the above charges together with and in addition to any incremental charges or assessments (including, but not limited to penalties) by the upstream interstate pipeline during the time of the unauthorized usage by such Customer. The payment of a penalty for unauthorized over run volumes shall not under any circumstances be considered as

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RATE SCHEDULE 206

SCHEDULE FOR LIMITING AND CURTAILING SERVICE

giving any such Customer the right to take unauthorized over run volumes, nor shall such payment be considered as a substitute for any other remedies available to the Company or any other Customer against the offending Customer for failure to adhere to its obligations under the provisions of this Rate Schedule.

Payment of Bills

Bills are net and due upon receipt. Bills become past due 15 days after bill date.

Late Payment Charge

A late payment charge of one and one-half percent (1½%) per month will be applied to all customers' balances not paid prior to the next month's billing date.

Applicable Documents Defining Obligations of the Company and Its Customers

Service under this rate schedule is subject to the Rules and Regulations of the Public Service Commission of South Carolina ("Commission Rules") and to the Company's Service Regulations. Among other things, the Commission Rules and the Company's Service Regulations permit the interruption or curtailment of service under certain conditions, including events of *force majeure* and operating conditions. A copy of the Commission's Rules may be obtained from the Public Service Commission of South Carolina, 101 Executive Center Dr., Columbia, SC 29210, upon payment of the applicable fee. The Company's Service Regulations may be obtained at each of the district offices of the Company. Unofficial copies of the Company's Service Regulations are available at the Company's Web Site at www.piedmontng.com.

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Issued: ~~November 10, 2014~~

Docket No. ~~2014-323-G~~

Effective: ~~December 1, 2014~~ [April 1, 2016](#)

RATE SCHEDULE 206
Schedule for Limiting and Curtailing Service
CLEAN

RATE SCHEDULE 206
SCHEDULE FOR LIMITING AND CURTAILING SERVICE

Applicability and Character of Service

This Service Schedule defines the types of curtailment that the Company may invoke from time to time due to the occurrence of extreme weather conditions, operating conditions or force majeure events, and describes the process and procedures to be followed in the implementation of gas service restrictions.

Distribution Pressure Curtailments

Due to extreme weather conditions, operating conditions or force majeure events as defined in the Company's Service Regulations, or the demands of the Company's firm Customers as the same may affect the Company's ability to provide interruptible service, the Company may experience localized pressure deficiencies. During such times and within the areas affected, the Company will curtail service to interruptible Customers served under Rate Schedule 204, Rate Schedule 208, or Rate Schedule 214, by priority of their margin contribution to the Company (curtailing Customers with the lowest margin rate first) until the pressure situation can be alleviated. In the unlikely event that further interruption is required, the Company will proceed with curtailment by margin contribution considering end use, impact on the local economy, and the Rules and Regulations of the Public Service Commission of South Carolina.

Supply or Capacity Related Curtailments

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Emergency Service

The Company will make every reasonable effort to deliver/redeliver plant protection volumes to industrial and commercial Customers that do not have standby fuel systems sufficient to prevent damage to facilities or danger to personnel, or to Customers that find it impossible to continue operations on the Customer's standby or alternate energy source as a result of a bona fide existing or threatened emergency. This includes the protection of such existing material in process that would otherwise be destroyed, or deliveries required to maintain plant production. All emergency service is interruptible and is of a discretionary nature on the part of the Company and implies no present or future obligation of the Company to any Customer to provide such service on either a temporary or continuing basis. Deliveries/Redeliveries of gas for emergency service hereunder shall be made pursuant only to advance operating arrangements between the Company's authorized personnel and the Customer and shall be subject to curtailment and interruption at any time should the Company deem it necessary.

Issued by Thomas E. Skains, Chairman, President and CEO

Issued:

Docket No.

Effective: April 1, 2016

RATE SCHEDULE 206
SCHEDULE FOR LIMITING AND CURTAILING SERVICE

Rate for Emergency Service

If the Company has authorized the Customer to receive emergency service as provided in the above paragraph, then all gas so consumed by the Customer for emergency service will be at a rate set forth on the Company's "Rates and Charges" tariff sheet, plus the usage rate for Rate Schedule 204 and 214 as applicable, plus the higher of two commodity indices - a "Monthly Contract Price" or a "Daily Price" - for each dekatherm of consumption. "Monthly Contract" shall be defined as the monthly contract index price for the applicable calendar month as first published in Inside F.E.R.C.'s - Gas Market Report in the table titled "Monthly Bidweek Spot Gas Prices" under the heading "Louisiana/Southeast Transco, zone 3" in the column titled "Index", plus Transco's zone 3 to zone 5 IT transportation rate inclusive of all surcharges and fuel. "Daily Price" shall be defined as the daily price for gas defined by Gas Daily as stated in the "Daily Price Survey", "Northeast", "Transco, zone 6 non-N.Y.", "Midpoint" price. For days of consumption when the "Monthly Contract Price" is not published, the "Monthly Contract Price" shall equal the corresponding "Daily Price" published for the first day of the month of flow. For days of consumption when the "Daily Price" is not published, the "Daily Price" shall equal the average of the corresponding "Daily Price" as published on the nearest preceding and nearest subsequent day. Customers who bring into Piedmont's system authorized quantities of gas for emergency service redeliveries shall not be subject to the commodity index billing stated above for such quantities. The Customer's consumption will continue to be billed hereunder until the Company notifies the Customer that either (1) further gas sales may be made under the Customer's regular Rate Schedule or (2) complete curtailment is unavoidable and that further gas sales will be considered unauthorized.

Unauthorized Over Run Penalty

If at any time a Customer fails to discontinue the consumption of gas after being directed to do so by the Company or takes gas at levels in excess of the quantities specified by the Company, such quantities shall constitute an unauthorized over run volume. For each dekatherm of such unauthorized over run volume taken by such Customer, such Customer shall pay to the Company a rate set forth on the Company's "Rates and Charges" tariff sheet, plus the usage rate for Rate Schedule 204 and 214 as applicable, plus the higher of two gas commodity indices - a "Monthly Contract Price" or a "Daily Price" as both are defined above.

The Customer's consumption will continue to be unauthorized until the Company notifies the Customer that either (1) further gas sales may be made under the Customer's regular rate schedule or (2) the Company agrees to provide Emergency Service under this Rate Schedule, or (3) the Company terminates flow at the valve.

The Customer shall be liable for the above charges together with and in addition to any incremental charges or assessments (including, but not limited to penalties) by the upstream interstate pipeline during the time of the unauthorized usage by such Customer. The payment of a penalty for unauthorized over run volumes shall not under any circumstances be considered as giving any such Customer the right to take unauthorized over run volumes, nor shall such payment be considered as a substitute for any other remedies available to the Company or any

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SCHEDULE FOR LIMITING AND CURTAILING SERVICE

other Customer against the offending Customer for failure to adhere to its obligations under the provisions of this Rate Schedule.

Payment of Bills

Bills are net and due upon receipt. Bills become past due 15 days after bill date.

Late Payment Charge

A late payment charge of one and one-half percent (1½%) per month will be applied to all customers' balances not paid prior to the next month's billing date.

Applicable Documents Defining Obligations of the Company and Its Customers

Service under this rate schedule is subject to the Rules and Regulations of the Public Service Commission of South Carolina ("Commission Rules") and to the Company's Service Regulations. Among other things, the Commission Rules and the Company's Service Regulations permit the interruption or curtailment of service under certain conditions, including events of *force majeure* and operating conditions. A copy of the Commission's Rules may be obtained from the Public Service Commission of South Carolina, 101 Executive Center Dr., Columbia, SC 29210, upon payment of the applicable fee. The Company's Service Regulations may be obtained at each of the district offices of the Company. Unofficial copies of the Company's Service Regulations are available at the Company's Web Site at www.piedmontng.com.

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Issued:

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Effective: April 1, 2016

RATE SCHEDULE 207

**Balancing, Cash-Out, and Agency
Authorization**

RED-LINED

RATE SCHEDULE 207
BALANCING, CASH-OUT, AND AGENCY AUTHORIZATION

Applicability

The provisions of this Rate Schedule 207 shall apply to all tariffed transportation services provided by the Company under Rate Schedules 213 and 214, as well as all transportation special contracts, unless expressly provided otherwise therein.

Limitations on Intra-month Imbalances

Receipts and deliveries of gas hereunder shall be at uniform rates of flow with no significant fluctuations or imbalances. Customer (or its Agent) is responsible to match daily gas deliveries into the Company's system with daily gas consumption by Customer as closely as possible. Any imbalances shall be corrected by the Customer (or its Agent), insofar as practicable, during the month in which they occur. Customer (or its Agent) is expected to proactively manage intra-month imbalances. Customer (or its Agent) may adjust its daily nominations during a month in order to correct any accumulated imbalance and maintain a monthly balance subject to the operating limitations of the Company. The Company reserves the right to limit the amount of such imbalances to avoid operating problems, comply with balancing requirements of the upstream pipeline(s), and to mitigate the need to acquire additional daily supply at prices that would adversely affect sales customers. The Customer (or its Agent) will be responsible for any imbalance charges assessed by upstream pipeline(s) in connection with any gas transported by the Customer under this Rate Schedule.

In the event Customer (or its Agent) fails to abide by the requirements set forth above, the Company shall have the right to curtail deliveries to Customer (Customers in a transportation pool operated by a single Agent will be curtailed on a pro rata basis based on nominated quantities) if an imbalance is negative or reducing Customer's nominated quantities if an imbalance is positive. The Customer will be responsible for any imbalance charges assessed by upstream pipeline(s) in connection with any gas transported by the Customer. The Company reserves the right to take other reasonable action to mitigate system operational problems. The Company will use its reasonable efforts to notify the Customer or the Customer's Agent before proceeding with a unilateral nomination reduction or delivery curtailment and will notify Customer of any reduction to Customer's nomination that has been instituted by the Company. The Company reserves the right to initiate Standby Sales Service if elected by the Customer pursuant to Rate Schedule 213 when, in the judgment of the Company, such action is necessary to reduce or eliminate operational problems resulting from the gas imbalances of the Customer. The Company will use reasonable efforts to notify the Customer or the Customers' Agent before initiating Standby Sales Service hereunder.

~~By 11:30 am Eastern Time~~ No later than one-hour prior to the NAESB deadline for the timely nomination cycle on the fifth business day prior to the beginning of each month, the Customer must inform the Company of the nominating Agent for gas to be transported. If no notification to the contrary is provided, the Agent providing service during the prior month shall be deemed to be the nominating Agent by default. ~~By 11:30 am Eastern Time~~ No later than one-hour prior to the NAESB deadline for the timely nomination cycle on the fourth business day prior to the beginning of each month, the Customer shall submit a timely and valid nomination for transportation. Changes to nominations for gas transportation within the month are due ~~by 11:30 am Eastern Time~~ to the Company no later than one-hour prior to the NAESB deadline for the

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Issued: ~~December 12, 2014~~

Docket No. ~~2014-323-G~~

Effective: ~~January 1, 2015~~ April 1, 2016

RATE SCHEDULE 207
BALANCING, CASH-OUT, AND AGENCY AUTHORIZATION

[timely nomination cycle](#) on the day prior to gas flow. Company will have no obligation to accommodate intraday nomination changes.

Balancing On Upstream Pipeline(s)

It shall be the Customer's responsibility to remain in balance on a daily and monthly basis with upstream pipeline(s) to avoid any assessment of penalties by such pipeline(s) against the Company. If the Company is assessed a penalty by an upstream pipeline, the Company shall have the right to pass-through all such penalties to the Customer or its Agent if the Customer has had an imbalance with the Company during the period for which the penalty was assessed.

Monthly Imbalance Resolution

Any differences between the monthly quantities delivered to the Company's city gate facilities for the account of the Customer, and the monthly quantities consumed by the Customer as metered by the Company, shall be the monthly imbalance. The Percentage of Imbalance is defined as the monthly imbalance divided by the monthly quantities consumed by the customer. Unless the Company and Customer agree to correct imbalances "in kind," the imbalance shall be resolved monthly by "cashing out" the imbalances as they are known to exist at that time. If the Customer consumes more gas than it has delivered to the Company, the Customer will be deemed to be "short" by the amount of the deficiency, and the Company will sell the amount of the deficiency to the Customer by charging the price as specified below. If the Customer consumes less gas than has been delivered to the Company, the Customer will be deemed to be "long" by the amount of the surplus, and the Company will buy the amount of the surplus from the Customer by paying the price as specified below.

If the Customer's imbalance is less than or equal to 2% of the total monthly volume consumed, or if the total aggregated imbalance for the Agent is less than or equal to 2% of the total volume consumed by all of the Agent's Customers in that transportation pool, then the price paid by the Company if the imbalance is long or the price paid by the Customer (or Agent) if the imbalance is short will be the sum of (a) the average of all published indices for the month as published in Natural Gas Week as stated in the "Gas Price Report" table under "Louisiana, Gulf Coast, Onshore, Spot Delivered to Pipeline" plus (b) the rate under Transcontinental Gas Pipe Line's Rate Schedule IT, including applicable fuel and surcharges, for service from Zone 3 to Zone 5.

If the Customer's Percentage of Imbalance is more than 2%, or if the total aggregated Percentage of Imbalance for the Agent is more than 2% for all of the Agent's Customers in that transportation pool, then the price paid by the Company if the imbalance is long is the lower of the monthly index price listed in Platts Inside FERC's Gas Market Report for Transcontinental Gas Pipe Line Zone 3 deliveries plus applicable fuel and FT variable charges under Transcontinental Gas Pipe Line's Rate Schedule FT for service from Zone 3 to Zone 5 or the lowest weekly index price listed in Natural Gas Week's Gas Price Report "Delivered to Pipeline" for volumes listed under Louisiana – Gulf Coast, Onshore plus applicable fuel and FT variable charges under Transcontinental Gas Pipe Line's Rate Schedule FT for service from Zone 3 to Zone 5. If Customer (or Agent) imbalance is short, then the price paid by the Customer (or Agent) will be the higher of the monthly index price listed in Platts Inside FERC's Gas Market Report for Transcontinental Gas Pipe Line Zone 3 deliveries plus applicable fuel and IT variable charges

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RATE SCHEDULE 207
BALANCING, CASH-OUT, AND AGENCY AUTHORIZATION

under Transcontinental Gas Pipe Line's Rate Schedule IT for service from Zone 3 to Zone 5 or the highest weekly index price listed in Natural Gas Week's Gas Price Report "Delivered to Pipeline" for volumes listed under Louisiana -- Gulf Coast, Onshore plus applicable fuel and IT variable charges under Transcontinental Gas Pipe Line's Rate Schedule IT for service from Zone 3 to Zone 5.

If the Percentage of Imbalance for the Customer (or Agent) is "short" by more than 2%, the price paid by the Customer (or Agent) to the Company for each dekatherm of the total deficiency will be equal to the price listed above for short imbalances times the premium percentage corresponding to the percentage of the deficiency listed in the table below.

If the Percentage of Imbalance for the Customer (or Agent) is "long" by more than 2%, the price paid by the Company to the Customer (or Agent) for each dekatherm of the total surplus will be equal to the price listed above for long imbalances times the discount percentage corresponding to the percentage of the surplus listed in the table below.

Percentage of the Imbalance	Short (Premium)	Long (Discount)
Over 2% & equal to or less than 5%	110%	90%
Over 5% & equal to or less than 10%	120%	80%
Over 10% & equal to or less than 15%	130%	70%
Over 15% & equal to or less than 20%	140%	60%
Over 20%	150%	50%

Agency Authorization Form

Certain Rate Schedules permit a Customer to appoint a Customer's Agent to act on its behalf with respect to nominations, imbalance resolution, and/or billing. Customer shall authorize a Customer's Agent by executing an Agency Authorization Form in the form attached to this Rate Schedule. In order to be considered a Customer's Agent, a third party must execute and be in compliance with all of the terms of the Customer Agent Agreement form set forth in Appendix B to the Company's Service Regulations. To the extent that the Agent appointed by the Customer is common to other Customers of the Company, the Company will permit such Agent to aggregate all such qualifying Customers' transportation quantities for purposes of administering service to such Agent. Once a Customer has designated an Agent, the Agent is then authorized to act on behalf of that Customer and as such, the Agent will be considered as the Customer in all corresponding references contained within this Rate Schedule. The Customer may not change Agents within the calendar month without the permission of the Company, unless the Agent's right to conduct business has been suspended by the Company, in which case, the Customer may act without an Agent or may provide written notice to the Company of the new Customer's Agent designated by the Customer. The Company will provide reasonable notice to Customer in the event of any suspension of Customer's Agent and will provide copies to Customer, on an expeditious basis and by electronic or other means, of any formal notices issued to the Customer's Agent. All Agents must utilize the electronic means made available by the Company in order to submit nominations. The Company may recover from the Agent all costs incurred in providing the Agent access to the electronic bulletin board.

RATE SCHEDULE 207
BALANCING, CASH-OUT, AND AGENCY AUTHORIZATION

Applicable Documents Defining Obligations of the Company and Its Customers

Service under this Rate Schedule is subject to the Rules and Regulations of the Public Service Commission of South Carolina (the "Commission Rules") and to the Company's Service Regulations. Among other things, the Commission Rules and the Company's Service Regulations permit the interruption or curtailment of service under certain conditions, including events of force majeure and operating conditions. A copy of the Commission's Rules may be obtained from the Commission's Chief Clerk at the Public Service Commission of South Carolina, 101 Executive Center Drive, Suite 100, Columbia, SC 29210 upon payment of the applicable fee. The Company's Service Regulations may be obtained at each of the district offices of the Company. Unofficial copies of the Company's Service Regulations are available at the Company's Web page at www.piedmontng.com.

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Docket No. ~~2014-323-G~~

Effective: ~~January 1, 2015~~ [April 1, 2016](#)

RATE SCHEDULE 207
BALANCING, CASH-OUT, AND AGENCY AUTHORIZATION

AGENCY AUTHORIZATION FORM

EFFECTIVE DATE

CUSTOMER

NAME OF FACILITY

ACCOUNT NUMBER(S) _____

AGENT

<u>AGENT CONTACT</u>	<u>PHONE #</u>
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This is to advise Piedmont Natural Gas Company that _____(**Customer**) has authorized _____(**Agent**) to act on its behalf for the following transactions:

nominations, imbalance resolution billing,

of gas for the above listed account(s). Piedmont Natural Gas Company is hereby authorized to deal with the Agent directly, and the **CUSTOMER AND THE AGENT UNDERSTAND THAT THEY ARE RESPONSIBLE, JOINTLY AND SEVERALLY, FOR ANY AMOUNTS DUE PIEDMONT NATURAL GAS COMPANY ARISING UNDER THIS RATE SCHEDULE, PIEDMONT'S SOUTH CAROLINA SERVICE REGULATIONS, OR AGENT'S CUSTOMER AGENT AGREEMENT** which are not paid on these accounts. Customer will provide Piedmont Natural Gas Company with a revised "AGENCY AUTHORIZATION FORM" at least five (5) business days prior to the beginning of the month for the accounts designated, unless the Agent's right to conduct business has been suspended by Piedmont Natural Gas Company without prior notice.

AUTHORIZED SIGNATURE_____	AUTHORIZED SIGNATURE_____
FOR THE CUSTOMER	FOR THE AGENT

Please Print
AGENT'S NAME TITLE

PHONE # FAX #

MAILING ADDRESS

Please submit to: End User Transportation
Piedmont Natural Gas Company OR End User Transportation
P. O. Box 33068 Fax Number: (704) 364-8320
Charlotte, N.C. 28233

RATE SCHEDULE 207

**Balancing, Cash-Out, and Agency
Authorization**

CLEAN

RATE SCHEDULE 207
BALANCING, CASH-OUT, AND AGENCY AUTHORIZATION

Applicability

The provisions of this Rate Schedule 207 shall apply to all tariffed transportation services provided by the Company under Rate Schedules 213 and 214, as well as all transportation special contracts, unless expressly provided otherwise therein.

Limitations on Intra-month Imbalances

Receipts and deliveries of gas hereunder shall be at uniform rates of flow with no significant fluctuations or imbalances. Customer (or its Agent) is responsible to match daily gas deliveries into the Company's system with daily gas consumption by Customer as closely as possible. Any imbalances shall be corrected by the Customer (or its Agent), insofar as practicable, during the month in which they occur. Customer (or its Agent) is expected to proactively manage intra-month imbalances. Customer (or its Agent) may adjust its daily nominations during a month in order to correct any accumulated imbalance and maintain a monthly balance subject to the operating limitations of the Company. The Company reserves the right to limit the amount of such imbalances to avoid operating problems, comply with balancing requirements of the upstream pipeline(s), and to mitigate the need to acquire additional daily supply at prices that would adversely affect sales customers. The Customer (or its Agent) will be responsible for any imbalance charges assessed by upstream pipeline(s) in connection with any gas transported by the Customer under this Rate Schedule.

In the event Customer (or its Agent) fails to abide by the requirements set forth above, the Company shall have the right to curtail deliveries to Customer (Customers in a transportation pool operated by a single Agent will be curtailed on a pro rata basis based on nominated quantities) if an imbalance is negative or reducing Customer's nominated quantities if an imbalance is positive. The Customer will be responsible for any imbalance charges assessed by upstream pipeline(s) in connection with any gas transported by the Customer. The Company reserves the right to take other reasonable action to mitigate system operational problems. The Company will use its reasonable efforts to notify the Customer or the Customer's Agent before proceeding with a unilateral nomination reduction or delivery curtailment and will notify Customer of any reduction to Customer's nomination that has been instituted by the Company. The Company reserves the right to initiate Standby Sales Service if elected by the Customer pursuant to Rate Schedule 213 when, in the judgment of the Company, such action is necessary to reduce or eliminate operational problems resulting from the gas imbalances of the Customer. The Company will use reasonable efforts to notify the Customer or the Customers' Agent before initiating Standby Sales Service hereunder.

No later than one-hour prior to the NAESB deadline for the timely nomination cycle on the fifth business day prior to the beginning of each month, the Customer must inform the Company of the nominating Agent for gas to be transported. If no notification to the contrary is provided, the Agent providing service during the prior month shall be deemed to be the nominating Agent by default. No later than one-hour prior to the NAESB deadline for the timely nomination cycle on the fourth business day prior to the beginning of each month, the Customer shall submit a timely and valid nomination for transportation. Changes to nominations for gas transportation within the month are due to the Company no later than one-hour prior to the NAESB deadline for the timely

RATE SCHEDULE 207
BALANCING, CASH-OUT, AND AGENCY AUTHORIZATION

nomination cycle on the day prior to gas flow. Company will have no obligation to accommodate intraday nomination changes.

Balancing On Upstream Pipeline(s)

It shall be the Customer's responsibility to remain in balance on a daily and monthly basis with upstream pipeline(s) to avoid any assessment of penalties by such pipeline(s) against the Company. If the Company is assessed a penalty by an upstream pipeline, the Company shall have the right to pass-through all such penalties to the Customer or its Agent if the Customer has had an imbalance with the Company during the period for which the penalty was assessed.

Monthly Imbalance Resolution

Any differences between the monthly quantities delivered to the Company's city gate facilities for the account of the Customer, and the monthly quantities consumed by the Customer as metered by the Company, shall be the monthly imbalance. The Percentage of Imbalance is defined as the monthly imbalance divided by the monthly quantities consumed by the customer. Unless the Company and Customer agree to correct imbalances "in kind," the imbalance shall be resolved monthly by "cashing out" the imbalances as they are known to exist at that time. If the Customer consumes more gas than it has delivered to the Company, the Customer will be deemed to be "short" by the amount of the deficiency, and the Company will sell the amount of the deficiency to the Customer by charging the price as specified below. If the Customer consumes less gas than has been delivered to the Company, the Customer will be deemed to be "long" by the amount of the surplus, and the Company will buy the amount of the surplus from the Customer by paying the price as specified below.

If the Customer's imbalance is less than or equal to 2% of the total monthly volume consumed, or if the total aggregated imbalance for the Agent is less than or equal to 2% of the total volume consumed by all of the Agent's Customers in that transportation pool, then the price paid by the Company if the imbalance is long or the price paid by the Customer (or Agent) if the imbalance is short will be the sum of (a) the average of all published indices for the month as published in Natural Gas Week as stated in the "Gas Price Report" table under "Louisiana, Gulf Coast, Onshore, Spot Delivered to Pipeline" plus (b) the rate under Transcontinental Gas Pipe Line's Rate Schedule IT, including applicable fuel and surcharges, for service from Zone 3 to Zone 5.

If the Customer's Percentage of Imbalance is more than 2%, or if the total aggregated Percentage of Imbalance for the Agent is more than 2% for all of the Agent's Customers in that transportation pool, then the price paid by the Company if the imbalance is long is the lower of the monthly index price listed in Platts Inside FERC's Gas Market Report for Transcontinental Gas Pipe Line Zone 3 deliveries plus applicable fuel and FT variable charges under Transcontinental Gas Pipe Line's Rate Schedule FT for service from Zone 3 to Zone 5 or the lowest weekly index price listed in Natural Gas Week's Gas Price Report "Delivered to Pipeline" for volumes listed under Louisiana – Gulf Coast, Onshore plus applicable fuel and FT variable charges under Transcontinental Gas Pipe Line's Rate Schedule FT for service from Zone 3 to Zone 5. If Customer (or Agent) imbalance is short, then the price paid by the Customer (or Agent) will be the higher of the monthly index price listed in Platts Inside FERC's Gas Market Report for Transcontinental Gas Pipe Line Zone 3 deliveries plus applicable fuel and IT variable charges

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under Transcontinental Gas Pipe Line's Rate Schedule IT for service from Zone 3 to Zone 5 or the highest weekly index price listed in Natural Gas Week's Gas Price Report "Delivered to Pipeline" for volumes listed under Louisiana -- Gulf Coast, Onshore plus applicable fuel and IT variable charges under Transcontinental Gas Pipe Line's Rate Schedule IT for service from Zone 3 to Zone 5.

If the Percentage of Imbalance for the Customer (or Agent) is "short" by more than 2%, the price paid by the Customer (or Agent) to the Company for each dekatherm of the total deficiency will be equal to the price listed above for short imbalances times the premium percentage corresponding to the percentage of the deficiency listed in the table below.

If the Percentage of Imbalance for the Customer (or Agent) is "long" by more than 2%, the price paid by the Company to the Customer (or Agent) for each dekatherm of the total surplus will be equal to the price listed above for long imbalances times the discount percentage corresponding to the percentage of the surplus listed in the table below.

Percentage of the Imbalance	Short (Premium)	Long (Discount)
Over 2% & equal to or less than 5%	110%	90%
Over 5% & equal to or less than 10%	120%	80%
Over 10% & equal to or less than 15%	130%	70%
Over 15% & equal to or less than 20%	140%	60%
Over 20%	150%	50%

Agency Authorization Form

Certain Rate Schedules permit a Customer to appoint a Customer's Agent to act on its behalf with respect to nominations, imbalance resolution, and/or billing. Customer shall authorize a Customer's Agent by executing an Agency Authorization Form in the form attached to this Rate Schedule. In order to be considered a Customer's Agent, a third party must execute and be in compliance with all of the terms of the Customer Agent Agreement form set forth in Appendix B to the Company's Service Regulations. To the extent that the Agent appointed by the Customer is common to other Customers of the Company, the Company will permit such Agent to aggregate all such qualifying Customers' transportation quantities for purposes of administering service to such Agent. Once a Customer has designated an Agent, the Agent is then authorized to act on behalf of that Customer and as such, the Agent will be considered as the Customer in all corresponding references contained within this Rate Schedule. The Customer may not change Agents within the calendar month without the permission of the Company, unless the Agent's right to conduct business has been suspended by the Company, in which case, the Customer may act without an Agent or may provide written notice to the Company of the new Customer's Agent designated by the Customer. The Company will provide reasonable notice to Customer in the event of any suspension of Customer's Agent and will provide copies to Customer, on an expeditious basis and by electronic or other means, of any formal notices issued to the Customer's Agent. All Agents must utilize the electronic means made available by the Company in order to submit nominations. The Company may recover from the Agent all costs incurred in providing the Agent access to the electronic bulletin board.

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BALANCING, CASH-OUT, AND AGENCY AUTHORIZATION

Applicable Documents Defining Obligations of the Company and Its Customers

Service under this Rate Schedule is subject to the Rules and Regulations of the Public Service Commission of South Carolina (the "Commission Rules") and to the Company's Service Regulations. Among other things, the Commission Rules and the Company's Service Regulations permit the interruption or curtailment of service under certain conditions, including events of force majeure and operating conditions. A copy of the Commission's Rules may be obtained from the Commission's Chief Clerk at the Public Service Commission of South Carolina, 101 Executive Center Drive, Suite 100, Columbia, SC 29210 upon payment of the applicable fee. The Company's Service Regulations may be obtained at each of the district offices of the Company. Unofficial copies of the Company's Service Regulations are available at the Company's Web page at www.piedmontng.com.

RATE SCHEDULE 213
Large General Transportation Service
RED-LINED

RATE SCHEDULE 213
LARGE GENERAL TRANSPORTATION SERVICE

Availability

For new Customers, gas service under this Rate Schedule is available in the area served by the Company in the State of South Carolina to any full requirements non-residential Customer whose average daily gas usage is reasonably anticipated to equal or exceed 50 dekatherms per day.

Reclassification of Customers between rate schedules will be based upon procedures set forth in the Company's Service Regulations as approved by the Public Service Commission of South Carolina (the "Commission").

Once a qualified Customer elects service under this Rate Schedule, all services will be provided under the terms and conditions of this Rate Schedule for a term extending through the following May 31. Subject to the requirements set forth above, a Customer may, subject to the consent of the Company, elect to discontinue service under this Rate Schedule and receive service under Rate Schedule 203 by giving written notice to the Company prior to March 1 of any year. The Company will not withhold such consent provided a) the Company continues to offer firm sales service under Rate Schedule 203 and b) the Company is able to acquire firm gas supplies and capacity under commercially reasonable terms and conditions. Proper notice having been provided and written consent received from the Company within 30 days thereafter, the Customer shall discontinue service under this Rate Schedule effective the first June 1 following the notice.

All gas delivered pursuant to this Rate Schedule shall be metered separately from any gas delivered under any of the Company's other rate schedules.

Applicability and Character of Service

The Company will redeliver gas received by the Company from upstream connecting pipeline(s) for the Customer's account under this Rate Schedule in accordance with the Customer's scheduled and confirmed nominations and subject to Company's operating conditions. The Company reserves the right to suspend transportation service on any day, when in the Company's sole opinion, its operating conditions are such that suspension of service is necessary.

Balancing, Cash-Out and Agency Authorization

Service Under this Rate Schedule shall be subject to all of the provisions and requirements of Rate Schedule 207, "Balancing, Cash-Out, and Agency Authorization."

Standby Sales Service

The Customer may elect by written notice to the Company prior to March 1 of any year to purchase Standby Sales Service from the Company under this Rate Schedule for an annual period commencing the first June 1 following the notice. Customers that have purchased transportation service under this Rate Schedule without Standby Sales Service may elect such service in future annual periods only with the written consent of the Company received within 30 days of Customer's notice. Having made this election, the Customer may nominate gas supplies from third party providers or nominate gas supplies from the Company for delivery to the Customer at

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the Company's city gate. The Customer may activate the Standby Sales Service during any month by giving notice to the Company during the normal nomination process described above, or by default, if the Customer (or the Customer's Agent) fails to submit a timely and valid nomination for transportation service. In addition to paying the Standby Sales Service Charge each month and the Monthly Standby Index Price set forth below for quantities actually purchased hereunder, the Customer will utilize the transportation services and incur the charges otherwise applicable under this Rate Schedule to cause such gas supplies to be transported and delivered to the Customer's meter. The gas supply commodity price which the Customer shall pay for the gas supplied under this paragraph will be the Monthly Standby Index Price defined as follows:

The index price each month as first published in that month in Inside FERC's - Gas Market Report in the table titled "Monthly Bidweek Spot Prices~~Prices of Spot Gas Delivered to Pipelines~~" under the heading "Louisiana/Southeast~~Transcontinental Gas Pipe Line Corp. - Z~~Transco zone 3~~(pooling points)~~" in the column titled "Index". Applicable firm transportation part 284 tariff commodity charges, fuel and any other surcharges as defined in Transco's FERC approved tariffs from Transco's Zone 3 to Zone 5 will be added to the above index price.

If the Customer has made the annual election to receive Standby Sales Service, and the Customer (or Agent) properly submits a timely and valid nomination for transportation service, and, for whatever reason, the Customer (or Agent) fails to deliver to the Company adequate quantities of gas for the Customer's account, then the Company shall have the right, at its sole discretion, to initiate Standby Sales Service to the Customer. The price for such service shall be the same as set forth above except when the Company is required by such imbalance shortfall to purchase incremental volumes of gas supplies. In this case the Customer receiving Standby Sales Service will pay the higher of (on a daily basis) the Monthly Standby Index Price or the Daily Standby Index Price defined as the absolute high index price as published in Gas Daily for the day of consumption as stated in the "Daily Price Survey," "Louisiana/Southeast~~Onshore South~~," for "Transco, zone 3~~St. 65~~" in the column titled "Absolute." Applicable firm transportation part 284 tariff commodity charges, fuel and any other surcharges as defined in Transco's FERC approved tariffs from

Transco's Zone 3 to Zone 5 will be added to the above index price. For days of consumption when the Monthly Standby Index Price is not published, the Monthly Standby Index Price shall equal the corresponding Daily Standby Index Price. For days of consumption when the Daily Standby Index Price is not published, the Daily Standby Index Price shall equal the average of the corresponding Daily Standby Index Price as published on the nearest preceding and nearest subsequent day.~~Gas Daily is not published, the Gas Daily price shall equal the price as published on the nearest subsequent day by Gas Daily.~~

The Customer shall also pay all applicable taxes, fees and assessments levied by governmental authorities having jurisdiction.

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During the month that the Customer receives Standby Sales Service under this provision, the Company shall perform the necessary balancing activities related to such sales and therefore the monthly imbalance resolution provisions will not be applicable.

Gas cost variances related to the Standby Sales Service will be recorded in compliance with the Company's South Carolina Service Regulations Appendix A, Gas Cost Recovery Mechanism (the "GCRM"), except that the "benchmark" cost of gas will be the adjusted Monthly or Daily Standby index price as billed. Increments or decrements which may result from the procedures under the GCRM shall not apply to Standby Sales Service. Any increments or decrements applicable to Rate Schedule 213 shall be applicable to all quantities delivered under Rate Schedule 213, whether purchased from third parties or the Company as Standby Sales Service.

Rates and Charges

The rates to be charged for gas service pursuant to this Rate Schedule are set forth on the Company's "Rates and Charges" tariff sheet and may be viewed at the Company's Web Site at www.piedmontng.com. A copy of the "Rates and Charges" tariff sheet is also on file with the Commission and at each of the district offices of the Company. Rates are subject to adjustment from time to time with the approval of the Commission. The rates on file with the Commission shall prevail in the event of conflict with those rates viewed on the Company's Web Site.

Billing Demand

A Customer's billing demand determinant shall be the highest daily usage during the period from November 1 to March 31 of the previous winter period as metered and reported to the Company by the telemetering equipment installed by the Company. Changes to the Customer's billing demand determinant will become effective June 1 of each year.

For Customers commencing initial gas service under this Rate Schedule, the billing demand shall be the highest actual daily consumption to date during the partial year, but shall be a minimum of 500 therms. If a Customer has received gas service from the Company prior to receiving service under this Rate Schedule but does not have daily telemetered records to determine peak day usage as described above, the Company shall use 6% of that Customer's highest previous winter month's consumption for the billing demand determinate.

Volumetric Charges

The rate per therm shall be billed on the quantity of gas delivered by Company to Customer. Any adjustment to the quantity of gas delivered due to meter failure or inaccuracy of measurement shall be determined as approved in the Rules and Regulations of the Public Service Commission of South Carolina.

Payment of Bills

Bills are net and due upon receipt. Bills become past due 15 days after bill date.

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LARGE GENERAL TRANSPORTATION SERVICE

Late Payment Charge

A late payment charge of one and a half percent (1½%) per month will be applied to all balances not paid prior to the next month's billing date.

Service Interruption and Curtailment

Gas service under this Rate Schedule is subject to the provisions contained within Rate Schedule 206, "Schedule for Limiting and Curtailing Service".

Applicable Documents Defining Obligations of the Company and Its Customers

Service under this Rate Schedule is subject to the Rules and Regulations of the Public Service Commission of South Carolina (the "Commission Rules") and to the Company's Service Regulations. Among other things, the Commission Rules and the Company's Service Regulations permit the interruption or curtailment of service under certain conditions, including events of force majeure and operating conditions. A copy of the Commission's Rules may be obtained from the Commission's Chief Clerk at the Public Service Commission of South Carolina, 101 Executive Center Drive, Suite 100, Columbia, SC 29210 upon payment of the applicable fee. The Company's Service Regulations may be obtained at each of the district offices of the Company. Unofficial copies of the Company's Service Regulations are available at the Company's Web page at www.piedmontng.com.

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RATE SCHEDULE 213
Large General Transportation Service
CLEAN

RATE SCHEDULE 213
LARGE GENERAL TRANSPORTATION SERVICE

Availability

For new Customers, gas service under this Rate Schedule is available in the area served by the Company in the State of South Carolina to any full requirements non-residential Customer whose average daily gas usage is reasonably anticipated to equal or exceed 50 dekatherms per day.

Reclassification of Customers between rate schedules will be based upon procedures set forth in the Company's Service Regulations as approved by the Public Service Commission of South Carolina (the "Commission").

Once a qualified Customer elects service under this Rate Schedule, all services will be provided under the terms and conditions of this Rate Schedule for a term extending through the following May 31. Subject to the requirements set forth above, a Customer may, subject to the consent of the Company, elect to discontinue service under this Rate Schedule and receive service under Rate Schedule 203 by giving written notice to the Company prior to March 1 of any year. The Company will not withhold such consent provided a) the Company continues to offer firm sales service under Rate Schedule 203 and b) the Company is able to acquire firm gas supplies and capacity under commercially reasonable terms and conditions. Proper notice having been provided and written consent received from the Company within 30 days thereafter, the Customer shall discontinue service under this Rate Schedule effective the first June 1 following the notice.

All gas delivered pursuant to this Rate Schedule shall be metered separately from any gas delivered under any of the Company's other rate schedules.

Applicability and Character of Service

The Company will redeliver gas received by the Company from upstream connecting pipeline(s) for the Customer's account under this Rate Schedule in accordance with the Customer's scheduled and confirmed nominations and subject to Company's operating conditions. The Company reserves the right to suspend transportation service on any day, when in the Company's sole opinion, its operating conditions are such that suspension of service is necessary.

Balancing, Cash-Out and Agency Authorization

Service Under this Rate Schedule shall be subject to all of the provisions and requirements of Rate Schedule 207, "Balancing, Cash-Out, and Agency Authorization."

Standby Sales Service

The Customer may elect by written notice to the Company prior to March 1 of any year to purchase Standby Sales Service from the Company under this Rate Schedule for an annual period commencing the first June 1 following the notice. Customers that have purchased transportation service under this Rate Schedule without Standby Sales Service may elect such service in future annual periods only with the written consent of the Company received within 30 days of Customer's notice. Having made this election, the Customer may nominate gas supplies from third party providers or nominate gas supplies from the Company for delivery to the Customer at

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the Company's city gate. The Customer may activate the Standby Sales Service during any month by giving notice to the Company during the normal nomination process described above, or by default, if the Customer (or the Customer's Agent) fails to submit a timely and valid nomination for transportation service. In addition to paying the Standby Sales Service Charge each month and the Monthly Standby Index Price set forth below for quantities actually purchased hereunder, the Customer will utilize the transportation services and incur the charges otherwise applicable under this Rate Schedule to cause such gas supplies to be transported and delivered to the Customer's meter. The gas supply commodity price which the Customer shall pay for the gas supplied under this paragraph will be the Monthly Standby Index Price defined as follows:

The index price each month as first published in that month in Inside FERC's - Gas Market Report in the table titled "Monthly Bidweek Spot Prices" under the heading "Louisiana/Southeast Transco zone 3" in the column titled "Index". Applicable firm transportation part 284 tariff commodity charges, fuel and any other surcharges as defined in Transco's FERC approved tariffs from Transco's Zone 3 to Zone 5 will be added to the above index price.

If the Customer has made the annual election to receive Standby Sales Service, and the Customer (or Agent) properly submits a timely and valid nomination for transportation service, and, for whatever reason, the Customer (or Agent) fails to deliver to the Company adequate quantities of gas for the Customer's account, then the Company shall have the right, at its sole discretion, to initiate Standby Sales Service to the Customer. The price for such service shall be the same as set forth above except when the Company is required by such imbalance shortfall to purchase incremental volumes of gas supplies. In this case the Customer receiving Standby Sales Service will pay the higher of (on a daily basis) the Monthly Standby Index Price or the Daily Standby Index Price defined as the absolute high index price as published in Gas Daily for the day of consumption as stated in the "Daily Price Survey," "Louisiana/Southeast," for "Transco, zone 3" in the column titled "Absolute." Applicable firm transportation part 284 tariff commodity charges, fuel and any other surcharges as defined in Transco's FERC approved tariffs from Transco's Zone 3 to Zone 5 will be added to the above index price. For days of consumption when the Monthly Standby Index Price is not published, the Monthly Standby Index Price shall equal the corresponding Daily Standby Index Price. For days of consumption when the Daily Standby Index Price is not published, the Daily Standby Index Price shall equal the average of the corresponding Daily Standby Index Price as published on the nearest preceding and nearest subsequent day.

The Customer shall also pay all applicable taxes, fees and assessments levied by governmental authorities having jurisdiction.

During the month that the Customer receives Standby Sales Service under this provision, the Company shall perform the necessary balancing activities related to such sales and therefore the monthly imbalance resolution provisions will not be applicable.

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Gas cost variances related to the Standby Sales Service will be recorded in compliance with the Company's South Carolina Service Regulations Appendix A, Gas Cost Recovery Mechanism (the "GCRM"), except that the "benchmark" cost of gas will be the adjusted Monthly or Daily Standby index price as billed. Increments or decrements which may result from the procedures under the GCRM shall not apply to Standby Sales Service. Any increments or decrements applicable to Rate Schedule 213 shall be applicable to all quantities delivered under Rate Schedule 213, whether purchased from third parties or the Company as Standby Sales Service.

Rates and Charges

The rates to be charged for gas service pursuant to this Rate Schedule are set forth on the Company's "Rates and Charges" tariff sheet and may be viewed at the Company's Web Site at www.piedmontng.com. A copy of the "Rates and Charges" tariff sheet is also on file with the Commission and at each of the district offices of the Company. Rates are subject to adjustment from time to time with the approval of the Commission. The rates on file with the Commission shall prevail in the event of conflict with those rates viewed on the Company's Web Site.

Billing Demand

A Customer's billing demand determinant shall be the highest daily usage during the period from November 1 to March 31 of the previous winter period as metered and reported to the Company by the telemetering equipment installed by the Company. Changes to the Customer's billing demand determinant will become effective June 1 of each year.

For Customers commencing initial gas service under this Rate Schedule, the billing demand shall be the highest actual daily consumption to date during the partial year, but shall be a minimum of 500 therms. If a Customer has received gas service from the Company prior to receiving service under this Rate Schedule but does not have daily telemetered records to determine peak day usage as described above, the Company shall use 6% of that Customer's highest previous winter month's consumption for the billing demand determinate.

Volumetric Charges

The rate per therm shall be billed on the quantity of gas delivered by Company to Customer. Any adjustment to the quantity of gas delivered due to meter failure or inaccuracy of measurement shall be determined as approved in the Rules and Regulations of the Public Service Commission of South Carolina.

Payment of Bills

Bills are net and due upon receipt. Bills become past due 15 days after bill date.

Late Payment Charge

A late payment charge of one and a half percent (1½%) per month will be applied to all balances not paid prior to the next month's billing date.

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Service Interruption and Curtailment

Gas service under this Rate Schedule is subject to the provisions contained within Rate Schedule 206, "Schedule for Limiting and Curtailing Service".

Applicable Documents Defining Obligations of the Company and Its Customers

Service under this Rate Schedule is subject to the Rules and Regulations of the Public Service Commission of South Carolina (the "Commission Rules") and to the Company's Service Regulations. Among other things, the Commission Rules and the Company's Service Regulations permit the interruption or curtailment of service under certain conditions, including events of force majeure and operating conditions. A copy of the Commission's Rules may be obtained from the Commission's Chief Clerk at the Public Service Commission of South Carolina, 101 Executive Center Drive, Suite 100, Columbia, SC 29210 upon payment of the applicable fee. The Company's Service Regulations may be obtained at each of the district offices of the Company. Unofficial copies of the Company's Service Regulations are available at the Company's Web page at www.piedmontng.com.